

Message Text

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72

ORIGIN XMB-04

INFO OCT-01 EA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 TRSE-00 OPIC-06 SP-02 CIEP-02

LAB-04 SIL-01 OMB-01 /051 R

66607

DRAFTED BY: XMB:GSOLOMON

APPROVED BY: EB/OCA/REP: EMCKEON

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EB/IFD/ODF:RASWART

EA/IMS:PCGILL (INFO)

----- 122638

R 261622Z MAR 75

FM SECSTATE WASHDC

TO AMEMBASSY KUALA LUMPUR

UNCLAS STATE 068187

E.O. 11652: N/A

TAGS: EFIN

SUBJECT: EXIMBANK FINANCING FOR MALAYSIAN AIRLINE SYSTEM

1. EXIMBANK HAS AUTHORIZED A DOLS 32,000,000 CREDIT TO MALAYSIAN AIRLINE SYSTEM (MAS) TO FINANCE 40 PERCENT OF THE COST OF 2 DC-10-30 JET AIRCRAFT.

2. TERMS CALL FOR THE BORROWER TO MAKE A CASH PAYMENT OF 10 PERCENT OF THE COST OR DOLS 8,000,000. THE BALANCE OF 50 PERCENT OR DOLS 40,000,000 WILL BE EXTENDED BY FINAICIAL INSTITUTIONS NOT YET KNOWN AND WILL NOT BE GUARANTEED BY EXIMBANK. THE EXIMBANK INTEREST RATE IS 8-1/2 PERCENT PER ANNUM. REPAYMENT TO BE MADE SEMIANNUALLY OVER A PERIOD OF 10 YEARS, BEGINNING SIX MONTHS PAST THE MIDPOINT OF DELIVERIES BUT NOT LATER THAN SEPTEMBER 30, 1977. PRIVATE FINANCING REPAYABLE FROM THE FIRST ELEVEN INSTALLMENTS AND A PORTION OF THE 12TH AND EXIMBANK FROM THE LAST EIGHT INSTALLMENTS AND A PORTION OF THE 12TH.

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3. REQUEST EMBASSY ADVISE MAS OF THIS ACTION, WHICH WILL BE
DETAILED IN LETTER TO MAS. FURTHER ADVISE BORROWER NEWS RELEASE
INCLUDING ABOVE DETAILS SCHEDULED FOR ANNOUNCEMENT HERE NEXT TWO
WEEKS UNLESS EMBASSY OR BORROWER STATE OBJECTIONS. EMBASSY WILL BE
PROVIDED FINAL TEXT OF RELEASE PRIOR TO WASHINGTON RELEASE.

4. OTHER THAN DISCUSSION WITH BORROWER, REQUEST ABOVE INFORMATION
BE WITHHELD PRIOR TO SUBJECT PRESS RELEASE. KISSINGER

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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIRCRAFT, BANK LOANS, LOAN AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: XMB:GSOLOMON
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750106-0555
From: STATE
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1975/newtext/t19750313/aaaaalfv.tel
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Original Classification: UNCLASSIFIED
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Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
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Review Authority: woolfhd
Review Comment: n/a
Review Content Flags:
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05 JUL 2006

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To: KUALA LUMPUR
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